

What's at Stake if the University of California Loses Federal Funding

Federal cuts to the University of California threaten more than a great research university, they imperil a public institution that is an essential economic engine for the state, contributing roughly \$82 billion annually to California's economic output.

Federal Funding Breakdown:

\$9.9B Medicare/Medicaid	\$5.7B Research	\$1.9B Financial Aid
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All federal funding is at risk

If UC loses federal research funds, the University **would need \$4-5B annually to sustain reduced core operations and research.** Federal funding provides support for UC in three crucial areas:

- Student financial aid
- Research
- Healthcare delivery and training

A loss for UC is a loss for California

Budget cuts, such as cuts to federal research grants, would affect every California community. **Losing \$1 billion in research funding means:**

- The loss of 7,500 jobs at UC
- The loss of \$20 billion in economic activity

- The loss of thousands of graduate and undergraduate students
- The loss of patent revenues, innovation opportunities, and collaborators
- The loss of approximately \$3 billion in tax revenue
- The loss of critical patient care services by one of the largest Medi-Cal providers in the state

UC's economic impact on California

For **every \$1** invested in UC by the state, UC generates:

\$21.04

in economic
output

\$9.65

in household
income

\$3.01

in tax
revenue

\$14.32

in value
added

For every \$1 California invests in UC, \$21.04 is generated in total economic activity. This includes all the money spent and earned because of UC—like employee spending, research spending, construction projects, and student spending. It's the full ripple effect across the economy.

For every \$1 California invests in UC, \$14.32 is added in real economic value. This is UC's true contribution to the economy—what's left after subtracting the cost of supplies and services. It includes things like wages, business income, and taxes.

\$4-5B to Sustain Critical Functions

If greater cuts to federal research funding or other federal funding materialize, UC would require significant State support to sustain critical functions, projects, and jobs. The University of California would fundamentally change from what we know today.

A multi-billion investment could help UC withstand budget cuts, but the impact of any cuts would be substantial. We hope you'll stand with us, as a strong UC means a strong CA both now and in the years to come.